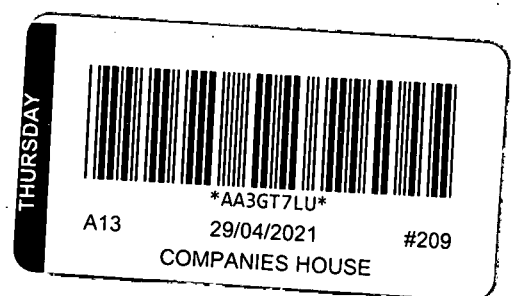


Registered number: 03628367

EEP ADVISERS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



EEP ADVISERS LIMITED

COMPANY INFORMATION

DIRECTORS

H Blomberg
D C C Von Kauffmann

COMPANY SECRETARY

H Blomberg

REGISTERED NUMBER

03628367

REGISTERED OFFICE

CityPoint
1 Ropemaker Street
London
EC2Y 9HT

INDEPENDENT AUDITORS

PKF Littlejohn LLP
15 Westferry Circus
Canary Wharf
London
E14 4HD

BANKERS

National Westminster Bank plc
63 Piccadilly
London
W1A 2AG

Banque Nationale de Paris
37 avenue des Champs Elysées
75008
Paris

SOLICITORS

O'Melveny & Myers LLP
Warwick Court
5 Paternoster Square
London
EC4M 7DX

EEP ADVISERS LIMITED

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EEP ADVISERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

INTRODUCTION

The Directors present their Strategic Report for the year ended 31 December 2020.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's Board of Directors are highly aware of the continued unpredictable global economic climate and the impact that this may have on the investment advisory services provided by the Company to its parent, EEP Managers Limited in Guernsey, which is the Managing General Partner for the various EEP Limited Partnership Funds ("the EEP Funds") and provider of consultancy and advisory services.

The principal risks and uncertainties facing the Company are that its activities and profitability are closely linked to the investment and exit opportunities of the EEP Funds Portfolio Companies and other EEP advised investments in the future. It is anticipated that there will be further investment activity over the next 12 to 24 months. Therefore, the Company has reasonable visibility on its income stream for the immediate future.

BUSINESS REVIEW AND FINANCIAL KEY PERFORMANCE INDICATORS

The Company's key financial and other performance indicators during the year were as follows:

	2020	2019	Change
	£	£	%
Turnover	322,000	335,000	(3.8%)
Operating profit	22,436	15,318	46.5%
Profit for the year	14,980	7,816	91.7%
Shareholder's equity	173,035	158,055	9.5%

Turnover has decreased by 3.8% in 2020 whilst total costs also decreased. This has led to an increase in profitability compared to the previous year.

EEP Advisers Limited continues to manage its costs very carefully and, with the prospect of maintaining services rendered and obtaining slightly higher revenues in 2021 in connection with advising its parent, EEP Managers Limited, on various transactions. It is expected that the Company will maintain its profitability in 2021.

Shareholder's Equity has increased by 9.5% to £173,035 and the Directors believe that this is appropriate for the needs of the business going forward.

This report was approved by the board on 2021/04/23

and signed on its behalf.



D C C Von Kauffmann
Director

EEP ADVISERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report and the financial statements for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was that of an investment advisory company acting in the United Kingdom on behalf of its parent company, EEP Managers Limited.

BUSINESS REVIEW

The profit for the year, after taxation, is £14,980 (2019: £7,816). The Directors do not recommend a dividend for the year.

DIRECTORS

The Directors who served during the year were:

H Blomberg
D C C Von Kauffmann

FUTURE DEVELOPMENTS

Following the unprecedented outbreak of the coronavirus ("Covid-19") pandemic in 2020, EEP Advisers Limited acted quickly to implement its business continuity plan. The Company had always routinely utilised virtual environments and other technology solutions to allow it to operate effectively remotely. This strategy has continued whilst the more broader acceptance and application of these tools globally has allowed EEP Advisers Limited to reduce some of the costs associated with maintaining a physical presence.

The Company has continued to provide advice throughout the pandemic to date and is focused on Life Science investment situations including drug development and contract drug development and manufacture. The importance of this area of investment focus is still obviously of critical importance in the current situation and beyond. The investment climate and political environment for Life Science opportunities is buoyant.

The Company and its parent, EEP Managers Limited, have also maintained a robust capital and liquidity position in recent years and are both still well placed to navigate and deal with the immediate and ongoing challenges they are facing as a result of Covid-19. Against the backdrop of the Covid-19 pandemic, the Company will continue to face certain uncertainties (travel bans, unsettled investment outlook, economic downturn etc.) but it remains well placed both commercially and financially to survive and contribute beyond the time of the disruption and benefit from the recovery.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

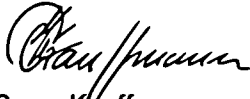
The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

EEP ADVISERS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

This report was approved by the board on **2021/04/23**

and signed on its behalf.

A handwritten signature in black ink, appearing to read 'D C C von Kauffmann', written in a cursive style.

D C C von Kauffmann
Director

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EEP ADVISERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EEP ADVISERS LIMITED

OPINION

We have audited the financial statements of EEP Advisers Limited (the 'Company') for the year ended 31 December 2020, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EEP ADVISERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EEP ADVISERS LIMITED (CONTINUED)

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

EEP ADVISERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EEP ADVISERS LIMITED (CONTINUED)

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EEP ADVISERS LIMITED (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We determined the principal laws and regulations relevant to the company in this regard to be those arising from FCA Rules around holding client assets. We remained vigilant to any instances of the Company holding client assets which they are not permitted to do.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Littlejohn LLP

Cheryl Court (Senior statutory auditor)

for and on behalf of
PKF Littlejohn LLP

15 Westferry Circus
Canary Wharf
London
E14 4HD
Date: 23 April 2021

EEP ADVISERS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover	4	322,000	335,000
Cost of sales		(197,442)	(195,422)
GROSS PROFIT		124,558	139,578
Administrative expenses		(102,122)	(124,260)
OPERATING PROFIT	5	22,436	15,318
Tax on profit	8	(7,456)	(7,502)
PROFIT FOR THE FINANCIAL YEAR		14,980	7,816

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 14 to 23 form part of these financial statements.

EEP ADVISERS LIMITED
REGISTERED NUMBER: 03628367

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	9	1,238	2,448
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	7,095	19,666
Cash at bank and in hand	11	208,700	172,840
		<u>215,795</u>	<u>192,506</u>
Creditors: amounts falling due within one year	12	(43,867)	(36,768)
NET CURRENT ASSETS		<u>171,928</u>	<u>155,738</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>173,166</u>	<u>158,186</u>
PROVISIONS FOR LIABILITIES			
Deferred tax	14	(131)	(131)
NET ASSETS		<u><u>173,035</u></u>	<u><u>158,055</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	16,252	16,252
Profit and loss account	16	156,783	141,803
		<u><u>173,035</u></u>	<u><u>158,055</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
2021/04/23



D C C Von Kauffmann
Director

The notes on pages 14 to 23 form part of these financial statements.

EEP ADVISERS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2020	16,252	141,803	158,055
Total comprehensive income for the year			
Profit for the year	-	14,980	14,980
	<hr/>	<hr/>	<hr/>
AT 31 DECEMBER 2020	<hr/> 16,252 <hr/>	<hr/> 156,783 <hr/>	<hr/> 173,035 <hr/>

The notes on pages 14 to 23 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2019	16,252	133,987	150,239
Total comprehensive income for the year			
Profit for the year	-	7,816	7,816
	<hr/>	<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<hr/> - <hr/>	<hr/> 7,816 <hr/>	<hr/> 7,816 <hr/>
AT 31 DECEMBER 2019	<hr/> 16,252 <hr/>	<hr/> 141,803 <hr/>	<hr/> 158,055 <hr/>

The notes on pages 14 to 23 form part of these financial statements.

EEP ADVISERS LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	14,980	7,816
ADJUSTMENTS FOR:		
Depreciation of tangible assets	2,424	2,299
Taxation charge	7,456	7,502
Decrease in debtors	12,571	45,640
Increase/(decrease) in creditors	5,649	(11,259)
Corporation tax (paid)	(6,006)	(9,149)
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>37,074</u>	<u>42,849</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(1,214)	(3,530)
NET CASH FROM INVESTING ACTIVITIES	<u>(1,214)</u>	<u>(3,530)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	<u>35,860</u>	<u>39,319</u>
Cash and cash equivalents at beginning of year	172,840	133,521
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u>208,700</u>	<u>172,840</u>
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	208,700	172,840
	<u>208,700</u>	<u>172,840</u>

The notes on pages 14 to 23 form part of these financial statements.

EEP ADVISERS LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	172,840	35,860	208,700
	<u>172,840</u>	<u>35,860</u>	<u>208,700</u>

The notes on pages 14 to 23 form part of these financial statements.

EEP ADVISERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

EEP Advisers Limited is a private company, limited by shares, registered and incorporated in Great Britain. The functional and presentational currency is GBP.

The principal activity of the Company during the year was that of an investment advisory company acting in the United Kingdom on behalf of its parent company, EEP Managers Limited.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

EEP Advisers Limited is a private company, limited by shares, registered and incorporated in Great Britain. The functional and presentational currency is GBP.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The Company has sufficient cash resources at the date of signing the financial statements to continue trading for the foreseeable future.

Management acknowledge that the ongoing economic impacts of COVID-19 suffered by the Company and its parent company, EEP Managers Limited, over the next 12 months could be uncertain. However, Management assess the Company to be a going concern due to the Company and parent company having sufficient cash reserves and the continued support provided by the parent company. In making this assessment, Management have reviewed the parent company's cashflow forecasts covering the next 12 months and have assessed the parent company as being capable of providing any support that the Company may need over this period.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

The company determines the classification of its financial liabilities at initial recognition in accordance with FRS 102. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequently, the measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss includes financial financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

2.5 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.7 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Office equipment	- 3 years
Computer equipment	- 2 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.10 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.11 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities including trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

No significant judgements have been made by the Directors in the preparation of these Financial Statements.

4. TURNOVER

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Consultancy income	322,000	335,000

EEP ADVISERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. OPERATING PROFIT

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	2,424	2,299
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	8,250	8,000
Exchange differences	(473)	956
	<u> </u>	<u> </u>

6. EMPLOYEES

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	183,820	174,440
Social security costs	13,622	20,022
	<u>197,442</u>	<u>194,462</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2020 No.	2019 No.
Average number of employees	<u>3</u>	<u>3</u>

7. DIRECTORS' REMUNERATION

Total Directors' remuneration amounted to £nil (2019 - £nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. TAXATION

	2020 £	2019 £
CORPORATION TAX		
Current tax on profits for the year	7,456	7,502
	<u>7,456</u>	<u>7,502</u>
TOTAL CURRENT TAX	<u>7,456</u>	<u>7,502</u>
DEFERRED TAX		
TOTAL DEFERRED TAX	<u>-</u>	<u>-</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>7,456</u>	<u>7,502</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is the same as (2019 - the same as) the standard rate of corporation tax in the UK of 19% (2019 - 19%) as set out below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>22,436</u>	<u>15,318</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	4,263	2,910
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,576	3,923
Adjustments to tax charge in respect of prior periods	(847)	649
Adjustment to tax charge in respect of previous periods - deferred tax	-	62
Other differences leading to an increase (decrease) in the tax charge	464	(42)
TOTAL TAX CHARGE FOR THE YEAR	<u>7,456</u>	<u>7,502</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8. TAXATION (CONTINUED)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There are no factors that may affect future tax charges.

9. TANGIBLE FIXED ASSETS

	Office and computer equipment £
COST OR VALUATION	
At 1 January 2020	99,414
Additions	1,214
	<hr/>
At 31 December 2020	100,628
DEPRECIATION	
At 1 January 2020	96,966
Charge for the year on owned assets	2,424
	<hr/>
At 31 December 2020	99,390
NET BOOK VALUE	
At 31 December 2020	1,238
	<hr/> <hr/>
At 31 December 2019	2,448
	<hr/> <hr/>

10. DEBTORS

	2020 £	2019 £
Other debtors	866	1,250
Prepayments and accrued income	6,229	18,416
	<hr/>	<hr/>
	7,095	19,666
	<hr/> <hr/>	<hr/> <hr/>

11. CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank and in hand	208,700	172,840
	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	414	735
Corporation tax	8,302	6,853
Other taxation and social security	7,789	7,028
Other creditors	8,920	5,744
Accruals and deferred income	18,442	16,408
	<u>43,867</u>	<u>36,768</u>

13. FINANCIAL INSTRUMENTS

	2020 £	2019 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	208,700	172,840
Financial assets that are debt instruments measured at amortised cost	-	245
	<u>208,700</u>	<u>173,085</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>25,425</u>	<u>20,361</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors and other creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. DEFERRED TAXATION

	2020 £
At beginning of year	(131)
AT END OF YEAR	(131)

	2020 £	2019 £
At the beginning of year	(131)	(131)
	<u>(131)</u>	<u>(131)</u>

15. SHARE CAPITAL

	2020 £	2019 £
Allotted, called up and fully paid		
16,252 (2019 - 16,252) Ordinary shares shares of £1 each	16,252	16,252
	<u>16,252</u>	<u>16,252</u>

16. RESERVES

Profit and loss account

This reserve represents profits and losses that have accumulated year on year since the Company began to trade, less the distribution of dividends paid.

17. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	698	698
	<u>698</u>	<u>698</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. RELATED PARTY TRANSACTIONS

All non Directors are key management and as such their remuneration is disclosed in note 6.

The Company charged the Parent Undertaking, EEP Managers Limited, a total of £322,000 (2019 - £335,000) during the year in respect of consultancy, research and administration services. Of this amount, £NIL was outstanding as at 31 December 2020 (2019 - £NIL).

The Company recharged a total of £NIL (2019 - £375) during the year to CMC Biologics S.a.r.l. in respect of expenses previously borne by the Company. Of this, £NIL was outstanding as at 31 December 2020 (2019 - £NIL). The Director, Mr D C C von Kauffmann, was the chairman of CMC Biologics S.a.r.l ("CMC").

The Company recharged a total of £6,161 (2019 - £15,197) during the year to Azanta A/S in respect of expenses previously borne by the Company. As at 31 December 2020, £NIL (2019 - £6,515) was outstanding. The Director, Mr D C C von Kauffmann, is the chairman of Azanta A/S.

The Company recharged a total of £4,124 (2019 - £36,129) during the year to AGC Biologics Inc / AGC Inc. in respect of expenses previously borne by the Company. As at 31 December 2020, £4,124 (2019 - £9,222) was outstanding. The Director, Mr D C C von Kauffmann, is a Director of AGC Biologics A/S.

During the year, Mr D C C von Kauffmann incurred expenses of £6,641 on behalf of the Company. As at 31 December 2020, £5,904 was due to him at the year end and is included in Other Creditors.

19. CONTROLLING PARTY

The immediate Parent Undertaking of the Company is EEP Managers Limited, and the ultimate Parent Undertaking is EEP Principal Holdings Limited. Both of these companies are incorporated in Guernsey.

The Ultimate Controlling Party is David Kauffmann.